

AN ORDINANCE 2006-06-29-0786

AUTHORIZING A ONE-YEAR LEASE AGREEMENT WITH THE RK GROUP L.L.C. FOR 47 PARKING SPACES AT THE FORMER SAWS HEADQUARTERS LOCATED AT 1001 EAST MARKET STREET, WITH TWO ONE-YEAR RENEWAL OPTIONS.

* * * * *

WHEREAS, RK Group L.L.C is the exclusive provider of food, beverage and concession services at the Henry B. Gonzalez Convention Center, Lila Cockrell Theatre and Municipal Auditorium (the "Convention Facilities"); and

WHEREAS, RK Group L.L.C. is seeking an area in close proximity to the Convention Facilities to use as a parking area for employees to make deliveries and perform services; and

WHEREAS, the City has identified 47 parking spaces located at the former SAWS headquarters at 1001 East Market Street; and

WHEREAS, locating RK Group L.L.C's equipment and staff in close proximity will better serve customers of the Convention Facilities; and

WHEREAS, by the terms of the Lease Agreement, RK Group L.L.C. will pay a monthly rent of \$1,440.00; **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The terms and conditions of a Lease Agreement (the "Agreement") between the City of San Antonio and RK Group L.L.C for the use of approximately 47 parking spaces located at 1001 East Market Street are approved. A copy of the Agreement in substantially its final form is attached as "Attachment I" and made a part of this ordinance. A final copy of the Agreement will be attached when executed.

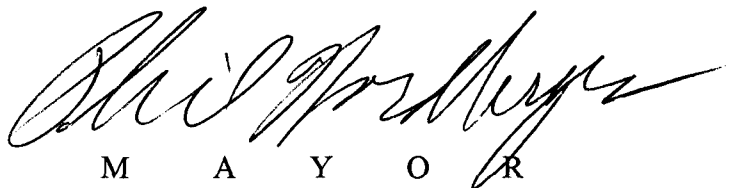
SECTION 2. The City Manager, or her designee, is authorized to execute a Lease Agreement with RK Group L.L.C. for the use of these parking spaces for a monthly base rent of \$1,440.00 or \$17,280.00 annually.

SECTION 3. The proceeds of the Agreement shall be deposited into Fund Number 29006000, entitled "Hotel Motel Tax Fund," Internal Order Number 242000000616, entitled "Convention Facilities - SAWS Parking" and the General Ledger Account Number 4403110, entitled "Parking Service Charge - Parking Fees."

SECTION 4. The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers, and SAP GL Accounts as necessary to carry out the purpose of this Ordinance.

SECTION 5. This ordinance shall be effective immediately upon the passage of eight (8) affirmative votes and after the tenth (10th) day if passed by fewer than eight affirmative votes.

PASSED AND APPROVED this 29th day of JUNE 2006.



M A Y O R

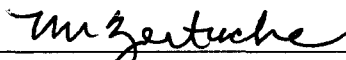

PHIL HARBERGER

ATTEST:



City Clerk

APPROVED AS TO FORM:


 City Attorney

PARKING LEASE

STATE OF TEXAS

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§

KNOW ALL MEN BY THESE

§

PRESENTS

COUNTY OF BEXAR

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This Lease agreement (hereinafter referred to as "LEASE") is hereby made and entered into by and between the CITY OF SAN ANTONIO, (hereinafter referred to as "LESSOR"), a Texas Municipal Corporation acting by and through its City Manager and RK GROUP L.L.C., a corporation formed in accordance with the laws of the State of Texas, (hereinafter referred to as "LESSEE") for the lease of space located at the former San Antonio Water System (SAWS) Building located at 1001 E. Market Street, San Antonio, Bexar County, Texas 78205 (hereinafter referred to as "LEASED PREMISES").

I. LEASE TERM/RENEWAL

1.1 The term of this LEASE shall be for a one-year (1) period beginning on July 1, 2006 ("Commencement Date") and terminating on June 30, 2007.

1.2 Upon mutual agreement of the LESSOR and LESSEE evidenced by a duly executed written instrument, this LEASE may be renewed for a period of one-year from the date of termination ("First Renewal").

1.3 Should LESSEE not be in default of this LEASE during the First Renewal period, the LESSOR and LESSEE may agree to renew this LEASE for an additional one-year term from the date of termination of the First Renewal ("Second Renewal").

II. LEASED PREMISES

2.1 LESSOR, for and in consideration of the payment of the LEASE FEES set forth below and the covenants and agreements hereinafter contained, and, further, subject to (i) all laws, codes, rules, regulations and ordinances of any governmental or quasi-governmental entity (hereinafter referred to as "Laws") and to (ii) all matters of record which affect or relate to the LEASED PREMISES (hereinafter referred to as "Permitted Exceptions") does hereby lease to LESSEE forty seven (47) parking spaces abutting the former San Antonio Water System (SAWS) Building, located at 1001 E. Market Street, San Antonio, Texas 78205, as depicted on Exhibit A, which is attached hereto and incorporated herein, to have and to hold for the LEASE TERM as described in this LEASE and any renewal periods as provided for in this LEASE, unless sooner terminated as hereinafter provided.

2.2 The LEASED PREMISES may be used by LESSEE as a surface parking lot for its employees. The permitted uses may be expanded by LESSEE upon LESSOR's written consent, which shall not be unreasonably withheld by LESSOR.

2.3 LESSEE will not occupy or use, nor permit any portion of the LEASED PREMISES to be occupied or used for any business or purpose which is not the same as the purpose stated in Section 2.2 above or is unlawful in part or in whole or deemed to be disreputable in any manner, or is in violation of any Laws or Permitted Exceptions. LESSEE must procure at its sole expense any permits and licenses

required for the transaction of its business in the LEASED PREMISES and otherwise comply with all Laws and Permitted Exceptions.

2.4 LESSEE will maintain the LEASED PREMISES in a clean and healthful condition at its sole cost and expense and will comply with all laws, with reference to use, conditions, or occupancy of the LEASED PREMISES. LESSEE will conduct its business, and control its agents, employees, and invitees in such a manner as not to create any nuisance, interfere with, annoy or disturb LESSOR's business operations.

III. ACCEPTANCE AND CONDITION OF PREMISES

3.1 LESSEE has had full opportunity to examine the LEASED PREMISES, in its present "**AS IS, WHERE IS, WITH ALL FAULTS**" condition, and LESSEE acknowledges that there is in and about said LEASED PREMISES nothing dangerous to life, limb or health **and hereby waives any claim for damages** that may arise from defects of that character upon the LEASE Commencement Date. LESSEE's use of the LEASED PREMISES in its "**AS IS, WHERE IS, WITH ALL FAULTS**" condition shall be conclusive evidence of LESSEE's acceptance thereof in good order and satisfactory condition and LESSEE hereby accepts the LEASED PREMISES in its present, "**AS IS, WHERE IS WITH ALL FAULTS**" condition from LESSOR as suitable for LESSEE's intended use as stated herein.

3.2 LESSEE agrees that no representations respecting the condition of the LEASED PREMISES and no promises to alter, repair, or improve the LEASED PREMISES, either before or after the execution hereof, have been made by LESSOR. LESSOR specifically disclaims any and all warranties whatsoever of suitability of the premises for LESSEE's intended use.

3.3 LESSEE further agrees to clean and maintain the LEASED PREMISES for the duration of this LEASE at its own cost.

IV. USE

4.1 The LEASED PREMISES provided for in this LEASE are intended for the use of LESSEE's employees during events in which the LESSEE is performing catering services at the Henry B. Gonzalez Convention Center. Under no circumstances shall LESSEE allow other individuals to utilize the LEASED PREMISES without the written consent of the LESSOR.

4.2 LESSEE agrees and specifically understands that this Lease is confined to the privilege to use Parking Spaces within the LEASED PREMISES and that the permission herein given does not grant LESSEE any interest or estate in the LEASED PREMISES, but is a mere personal privilege to do certain acts of a temporary character upon the LEASED PREMISES. LESSOR retains dominion, possession, and control of said LEASED PREMISES, including access thereto, at all times. LESSOR reserves the right to enforce all reasonable, necessary and proper rules for the management and operation of the LEASED PREMISES, and may eject from the LEASED PREMISES, any person or persons it reasonably deems objectionable at the discretion of the Director of Convention Facilities.

4.3 LESSEE shall insure that those under its control or otherwise authorized by it to use said LEASED PREMISES shall in no way obstruct ingress or egress or limit accessibility to LESSOR's

property or the general public or by others having licenses, leasehold interests, or other interests in or about LESSOR's property.

4.4 LESSEE agrees that those under its control or otherwise authorized by it to use said LEASED PREMISES shall abide by, conform to and comply with all applicable laws, ordinances, rules and regulations and will not do or permit to be done anything in violation thereof. If the attention of LESSEE is called to any such violation, LESSEE or those under its control or otherwise authorized by it to use said LEASED PREMISES, will immediately desist from and correct such violation.

4.5 LESSOR reserves the right to restrict the use of the LEASED PREMISES on days when its use is required for events at the Henry B. Gonzalez Convention Center, or for other purposes, at the sole discretion of LESSOR.

a. LESSOR will give notice to LESSEE, at least (48) hours in advance, of dates when the specified area will be restricted and not available for use by LESSEE.

4.6 No alterations or additions to the LEASED PREMISES are permitted or will be performed by LESSEE without the written consent of LESSOR.

V. OPERATIONS

5.1 LESSOR does not warrant the security of vehicles or persons under this proposal and accepts no responsibility or liability for any loss or damage of any kind for any reason.

5.2 Drivers must not exceed five (5) mph within the LEASED PREMISES, must afford the right-of-way to pedestrians, and must extend courtesy to other drivers. Any violation is subject to revocation of this LEASE.

5.3 Vehicles parking in the LEASED PREMISES will be passenger-type trucks and cars only. The following will not be allowed in the LEASED PREMISES:

- a. Vehicles with a gross vehicle weight rating (GVWR) in excess of 20,000 lbs;
- b. Vehicles longer or wider than can be reasonably and safely parked in a standard-sized parking space;
- c. Any type of heavy equipment; and
- d. Any type of other equipment or materials.

5.4 An individual parking under this LEASE is only authorized to do so when in the performance of duties related to catering services at the Henry B. Gonzalez Convention Center.

VI. LEASE FEES

6.1 LESSEE hereby covenants and agrees that, in consideration for the lease of space as granted herein, LESSEE shall pay LESSOR the amount of one thousand four hundred ten (\$1,410) dollars per month ("Lease Fees").

6.2 Lease Fees shall be paid on the first of every month for the upcoming month's activity beginning on the Commencement Date.

6.3 Lease Fees shall be paid at the following address:

City of San Antonio
Convention Facilities Department
P. O. Box 1809
San Antonio, Texas 78296

VII. DEFAULT AND REMEDIES

7.1 An Event of Default in the LEASE shall occur should LESSEE neglect or fail to perform or observe any of the terms, provisions, conditions or covenants herein contained and on LESSEE's part to be performed or in any way observed and if such neglect or failure should continue for a period of ten (10) days after receipt by LESSEE of written notice of such neglect or failure except for the failure or neglect to pay any installment of Lease Fees wherein such neglect or failure must be cured within three (3) days after receipt by LESSEE of written notice of such neglect or failure. However, if more than ten (10) days shall be required because of the nature of the Event of Default, LESSEE shall be allowed to cure if within said ten (10) day period LESSEE commences and thereafter diligently proceeds to cure such Event of Default but under no circumstances shall the period of notice and cure exceed thirty (30) days from the date of such Event of Default by LESSEE. LESSOR is not responsible to notify LESSEE of any monetary default.

7.2 Upon an Event of Default and failure of LESSEE to cure as stated above, LESSOR may terminate this LEASE by written notice to LESSEE.

VIII. TERMINATION

8.1 Either party may terminate this LEASE without cause upon ninety (90) days notice provided under the provisions of Article XVII below.

8.2 In the event of early termination, LESSEE shall not be refunded any portion of the LEASE FEES paid under this LEASE.

IX. INSURANCE REQUIREMENTS

9.1 Prior to the commencement of this LEASE, LESSEE shall furnish an original completed Certificate(s) of Insurance to LESSOR and the City Clerk's Office, which shall be completed by an agent authorized to bind the named underwriter(s) and their company to the coverage, limits, and termination provisions shown thereon, and which shall furnish and contain all required information referenced or indicated thereon. The original certificate(s) must have the agent's original signature, including the signer's company affiliation, title and phone number, and be mailed directly from the agent to LESSOR. LESSOR shall have no duty to allow LESSEE to occupy the LEASE PREMISES until such certificate has been delivered to LESSOR, and no officer or employee, other than LESSOR's Risk Manager, shall have authority to waive this requirement.

9.2 LESSOR reserves the right to review the insurance requirements of this article during the effective period of this LEASE and any extension or renewal hereof and to modify insurance coverage and their limits when deemed necessary and prudent by LESSOR's Risk Manager based upon changes in statutory law, court decisions, or circumstances surrounding this LEASE, but in no instance will any modification be allowed whereupon LESSOR may incur increased risk.

9.3 Subject to LESSEE's right to maintain reasonable deductibles in such amounts as are approved by LESSOR, LESSEE shall obtain and maintain in full force and effect for the duration of this LEASE, and any extension hereof, at LESSEE's sole expense, insurance coverage written on an occurrence basis, by companies authorized and admitted to do business in the State of Texas and rated A- or better by A.M. Best Company and/or otherwise acceptable to LESSOR, in the following types and amounts:

<u>TYPE</u>	<u>AMOUNT</u>
1. Workers' Compensation Employers' Liability	Statutory \$500,000/\$500,000/\$500,000
2. Commercial General (public) Liability Insurance to include coverage for the following:	
a. Premises operations	
*b. Independent contractors	Bodily Injury and Property Damage of \$1,000,000 per occurrence, with a \$2,000,000 General Aggregate, or its equivalent, in umbrella or excess liability coverage
c. Personal Injury	
d. Contractual liability	
*e. Explosion, collapse, underground	
f. Broad form property damage, to include fire legal liability	
3. Business Automobile Liability	Combined Single Limit for Bodily Injury and Property Damage of \$1,000,000 per occurrence
a. Owned/lease vehicles	
b. Non-owned vehicles	
c. Hired vehicles	
4. Property Insurance for physical damage to the property of LESSEE including improvements and betterments to the Leased Premises	Coverage for a minimum of the replacement costs of LESSEE's improvements and betterments

*If applicable

9.4 LESSOR shall be entitled, upon request and without expense, to receive copies of the policies and all endorsements thereto as they apply to the limits required by LESSOR, and may make a reasonable request for deletion, revision, or modification of particular policy terms, conditions, limitations or exclusions (except where policy provisions are established by law or regulation binding upon either of the parties hereto or the underwriter of any such policies). Upon such request by LESSOR, LESSEE shall exercise reasonable efforts to accomplish such changes in policy coverage and shall pay the cost thereof.

9.5 LESSEE agrees that, with respect to the above required insurance, all insurance agreements and Certificate(s) of Insurance will contain the following required provisions.

- a. Name LESSOR and its officers, employees, volunteers and elected representatives as additional insureds with respect to operations and activities of, or on behalf of, the named insured performed under LEASE with LESSOR, with the exception of the workers' compensation and professional liability policies;
- b. Provide for an endorsement that the "other insurance" clause shall not apply to LESSOR where LESSOR is an additional insured shown on the policy;
- c. Workers' compensation and employers' liability policy will provide a waiver of subrogation in favor of LESSOR.

9.6 LESSEE shall notify LESSOR in the event of any notice of cancellation, non-renewal or material change in coverage and shall give such notices not less than thirty (30) days prior to the change, or ten (10) days notice for cancellation due to non-payment of premiums, which notice must be accompanied by a replacement Certificate of Insurance. All notices shall be given to LESSOR at the following address:

City of San Antonio
Convention Facilities Department
P.O. Box 1809
San Antonio, Texas 78296

9.7 If LESSEE fails to maintain the aforementioned insurance, or fails to secure and maintain the aforementioned endorsements, LESSOR may obtain such insurance, and increase the Base Rent in Section 6.1 of this Lease in order to pay the premiums for such insurance; however, procuring of said insurance by LESSOR is an alternative to other remedies LESSOR may have, and is not the exclusive remedy for failure of LESSEE to maintain said insurance or secure such endorsement. In addition to any other remedies LESSOR may have upon LESSEE's failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, LESSOR shall have the right to terminate this LEASE.

9.8 Nothing herein contained shall be construed as limiting, in any way, the extent to which LESSEE may be held responsible for payments of damages to persons or property resulting from LESSEE's performance under this Lease.

9.9 LESSEE shall furnish an original completed Certificate of Insurance to the City of San Antonio Convention Facilities Department, at the address provided herein, as a precondition to occupancy of the parking spaces. The Certificate shall be completed by an agent authorized to bind the named underwriter(s) and their company to the coverage, limits, and termination provisions shown thereon, and shall furnish and contain all required information referenced or indicated thereon. The original certificate(s) must have the agent's original signature, including the signer's company affiliation, title and phone number, and be mailed directly from the agent to LESSOR. LESSOR shall have no duty to pay or perform under this LEASE until such certificate shall has been delivered to the Convention Facilities Department and no officer or employee shall have authority to waive this requirement.

X. INDEMNITY

10.1 LESSEE covenants and agrees to FULLY INDEMNIFY and HOLD HARMLESS, LESSOR and the elected officials, employees, officers, directors, volunteers and representatives of LESSOR, individually or collectively, from and against any and all costs, claims, liens, damages, losses, expenses, fees, fines, penalties, proceedings, actions, demands, causes of action, liability and suits of any kind and nature, including but not limited to, personal or bodily injury, death and property damage, made upon LESSOR directly or indirectly arising out of, resulting from or related to LESSEE'S activities or LESSOR's activities or the acts of other parties, under this LEASE, in, on or about the LEASED PREMISES or in connection with LESSEE'S use of the LEASED PREMISES and said building, or from any condition of the LEASED PREMISES caused by LESSEE, including any acts or omissions of LESSEE, any agent, officer, director, representative, employee, consultant or subcontractor of LESSEE, and their respective officers, agents, employees, directors and representatives while in the exercise or performance of the rights or duties under this LEASE, all without, however, waiving any governmental immunity available to LESSOR under Texas law and without waiving any defenses of the parties under Texas law. IT IS FURTHER COVENANTED AND AGREED THAT SUCH INDEMNITY SHALL APPLY EVEN WHERE SUCH COSTS, CLAIMS, LIENS, DAMAGES, LOSSES, ACTION, LIABILITY AND/OR SUITS ARISE IN ANY PART FROM THE NEGLIGENCE OF LESSOR, THE ELECTED OFFICIALS, EMPLOYEES, OFFICERS, DIRECTORS, VOLUNTEERS AND REPRESENTATIVES OF LESSOR, UNDER THIS LEASE. The provisions of this INDEMNIFICATION are solely for the benefit of the parties hereto and not intended to create or grant any rights, contractual or otherwise, to any other person or entity. LESSEE shall promptly advise LESSOR in writing of any claim or demand against LESSOR or LESSEE known to LESSEE related to or arising out of LESSEE'S activities or LESSOR's activities or other party's acts or omissions as noted herein under this LEASE, and shall see to the investigation and defense of such claim or demand at LESSEE's cost. Notwithstanding any condition imposed by a policy of insurance to which LESSEE and LESSOR are named, LESSOR shall retain the right, at its option and at its own expense, to participate in any such defense provided by any insurance or self-insurance of LESSEE under this ARTICLE without relieving LESSEE of any of its obligations under this ARTICLE.

10.2 It is the EXPRESS INTENT of the parties to this LEASE that the INDEMNITY provided for in this ARTICLE is an INDEMNITY extended by LESSEE to INDEMNIFY, PROTECT and HOLD HARMLESS LESSOR from the consequences of LESSOR's OWN NEGLIGENCE, provided however, that the INDEMNITY provided for in this ARTICLE SHALL APPLY only when the NEGLIGENT ACT of LESSOR is a CONTRIBUTORY CAUSE of the resultant injury, death, or damage, and shall have no application when the negligent act of LESSOR is the sole active cause of the resultant injury, death, or damage. LESSEE further AGREES TO DEFEND, AT ITS OWN EXPENSE and ON BEHALF OF THE LESSOR AND IN THE NAME OF THE LESSOR, any claim or litigation brought against the LESSOR and its elected officials, employees, officers, volunteers, directors and representatives, in connection with any such injury, death, or damage for which this INDEMNITY shall apply, as set forth above.

XI. ASSIGNMENT AND SUBCONTRACTING

11.1 LESSEE shall not assign or transfer any interest in this LEASE to any other person or entity without LESSOR's prior written consent.

XII. DAMAGE TO LICENSED PREMISES

12.1 LESSEE shall be responsible for all damages to the LEASED PREMISES caused by its employees, agents or subcontractors. The extent of such damages and the amount due to LESSOR hereunder shall be left to the sole discretion of LESSOR.

XIII. DESTRUCTION OF LEASED PREMISES

13.1 If the Leased Premises are partially destroyed or otherwise made unsuitable in whole or in part by fire, other casualty, or for any other reason during the term of this LEASE, or any holdover or renewal periods, this LEASE shall terminate.

XIV. RESERVED

XV. CONFLICT OF INTEREST

15.1 LESSEE acknowledges that it is informed that the Charter of the City of San Antonio and its Ethics Code prohibit a City of San Antonio officer or employee, as the terms "officer" and "employee" are defined in Part B, Section 10 of City's Ethics Code, as may be amended from time to time, from having a financial interest in any contract with LESSOR or any City agency such as City-owned utilities. An officer or employee has a "prohibited financial interest" in a contract with LESSOR or in the sale to LESSOR of land, materials, supplies or service, if any of the following individual(s) or entities is a party to the contract or sale: a City of San Antonio officer or employee; his or her parent, child or spouse; a business entity in which the officer or employee, or his or her parent, child or spouse owns ten (10%) percent or more of the voting stock or shares of the business entity, or ten (10%) percent or more of the fair market value of the business entity; a business entity in which any individual or entity above listed is a subcontractor on a City of San Antonio contract, a partner or a parent or subsidiary business entity. LESSEE warrants and certifies, and this LEASE is made in reliance thereon, that LESSEE, LESSEE's officers, employees and agents are neither officers nor employees of LESSOR. LESSEE further warrants and certifies that, if required to do so, it has tendered to LESSOR a Discretionary Contracts Disclosure Statement in compliance with the City of San Antonio Ethics Code.

XVI. RELATIONSHIP OF PARTIES

16.1 Nothing contained herein shall be deemed or construed by the parties hereto, or by any third party, as creating the relationship of principal and agent, partners, joint venturers or any other similar such relationship between the parties hereto. It is understood and agreed that no provision contained herein nor any acts of the parties hereto creates a relationship other than the relationship of LESSOR and LESSEE.

XVII. NOTICE

17.1 Any notice required or permitted to be given hereunder by one party to the other shall be deemed to be given when deposited in the United States Mail, with sufficient postage prepaid, certified mail, return receipt requested, addressed to the respective party to whom notice is intended, or by hand delivery (courier or otherwise) with signature from the receiving party, to be given at the following address:

LESSOR: Director of Convention Facilities
Henry B. Gonzalez Convention Center
200 E. Market Street
San Antonio, Texas 78205

LESSEE: RK GROUP LLC
1220 E. Commerce
San Antonio, TX 78205
Attn: Greg Kowalski

XVIII. AMENDMENTS

18.1 Except where the terms of this LEASE expressly provide otherwise, any alterations, additions, or deletions to the terms hereof, shall be effected by amendment, in writing, executed by both LESSOR and LESSEE.

XIX. EFFECT OF WAIVER

19.1 Either LESSOR's or LESSEE's waiver of a breach of one covenant or condition of this LEASE is not a waiver of a breach of any other covenants or conditions, or of a subsequent breach of the one waived. LESSOR's acceptance of Lease Fee installments after a breach is not a waiver of the breach, except of a breach of the covenant to pay the Lease Fees.

XX. LEGAL CONSTRUCTION

20.1 **THIS LEASE SHALL BE CONSTRUED UNDER AND IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS**, and all obligations of LESSOR and LESSEE created hereunder are performable in Bexar County, Texas. LESSOR and LESSEE hereto further agree that any court of proper jurisdiction sitting in San Antonio, Bexar County, Texas, shall be the proper forum for any legal actions or proceedings brought hereunder.

XXI. SEVERABILITY

21.1 If one or more of the provisions contained in this LEASE shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein. In such event, it is the intention of LESSOR and LESSEE hereto that the remainder of this LEASE shall not be affected thereby, and it is also the intention of the parties to this LEASE that in lieu of each clause or

provision of this LEASE that is illegal, invalid or unenforceable, there be added as a part of this LEASE a clause or provision as similar in terms to such illegal, invalid, or unenforceable clause or provision as may be possible and be legal, valid and enforceable.

XXII. CAPTIONS

22.1 The captions contained in this LEASE are for purposes of convenience only and shall not, in any way, modify, amend or affect the provisions hereof.

XXIII. AUTHORITY

23.1 The signer of this LEASE for LESSEE hereby represents and warrants that he or she has full authority to execute this LEASE on behalf of LESSEE.

XXIV. ENTIRE LEASE

24.1 This LEASE, and any amendment thereto, contains the final and entire agreement between the parties hereto and contains all of the terms and conditions agreed upon and no other agreements, oral or otherwise, regarding the subject matter of this LEASE shall be deemed to exist or to bind the parties hereto, it being the intent of the parties that neither the LESSEE nor LESSOR shall be bound by any term, condition or representation not herein written.

EXECUTED AND AGREED TO this the ____ day of _____, 2006.

CITY OF SAN ANTONIO

RK GROUP LLC

Sheryl L. Sculley
City Manager

By: _____
Title: _____

ATTEST:

Leticia Vacek
City Clerk

By: _____
Title: _____

APPROVED AS TO FORM:

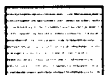
City Attorney

Exhibit A

EXHIBIT A



Former SAWS Headquarters
1001 E. Market
San Antonio, Texas



47 parking spaces governed by this lease; does not include handicapped or parking meter spaces